September 15, 2011

<u>Via E-Mail</u>

Cary M. Euwer
BP-Metropolitan Investors, LLC.
10740 Parkridge Boulevard, Suite 120
Reston, VA 20191

Re: Redevelopment of the Old Post Office Building
        <u>GSA Solicitation Number NR-73002105 – March 24, 2011</u>

Dear Mr. Euwer:

The U.S. General Services Administration ("GSA") is in receipt of your proposal in response to the above-referenced Request for Proposals ("RFP"). In accordance with Section VIII of the RFP, please submit a written response to the information requested below.

- Confirm Deposit of 2.5% of the Lease NPV, due at lease execution and prior to construction, is included in the proposal.
- Identify where real estate taxes, payable to the District of Columbia, are included in the offer and supporting documentation.
- Confirm proposal includes annual Land Lease payments beginning with construction.
- Provide the Net Present Value calculation of land lease payments over the 60-year lease period, including land lease payments during construction, at the 6% discount rate.
- Provide analysis for an NPV of land and existing buildings calculated by a 10-year pro forma with a hypothetical sale at Year 11, with the chosen Terminal Capitalization Rate, and with the RFP-specified 6% Discount Rate. The calculation is to be made without any land lease payments, to solve for the residual land value. Provide the Terminal Capitalization Rate used.

Your response to this letter is due no later than 4:00 p.m. on September 21, 2011. To ensure delivery, please submit your response via e-mail, facsimile, hand-delivery, or overnight mail (*e.g.*, FedEx or UPS). My contact information is set forth below:

Kevin Terry
U.S. General Services Administration
National Capital Region
7th & D Streets, SW
Room 7660
Washington, DC 20407
kevin.terry@gsa.gov
Phone: 202-708-4600
Fax: 202-708-9920

Again, thank you for your interest in the Redevelopment of the Old Post Office Building. Please feel free to contact me with any questions.

Sincerely,

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cc: Pat Daniels